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Attachment to State  
Department Briefing  
25 November 1958

What Has Been the Impact of the Economic Offensive?

1. Gained a better climate for diplomacy and--in some cases--for the local Communist parties--have gained influence at expense of the West
  - a. Greater prestige and respectability
  - b. Partially dispelled the image of Communism as an aggressive force
  - c. Impressed underdeveloped countries with Communist concern for their economic and political aspirations
  - d. Enabled certain countries to defy West or to improve bargaining position with West
2. Have exploited troubled situations to Communist advantage
  - a. Arab-Israeli dispute--Yemen's conflict with British--Afghan dispute with Pakistan--arms shipments in these cases very helpful
  - b. Iceland's disagreements with West--offers of aid--willingness to purchase major exportable surplus--(fish)
3. Have made some progress in selling the Soviet system
4. Facilitated collection of intelligence and subversive activity in limited number of cases
5. Gained leverage for future dealings with uncommitted countries--manipulations of trade and credits

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